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Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

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Report of UNDP on the recommendations of the Joint Inspection Unit in 2013

Summary

In 2013, the Joint Inspection Unit issued two notes and two reports containing 10 recommendations (at the time of the present report). Of those, one note with one recommendation and seven recommendations from the two reports are directed towards UNDP. They include one recommendation addressed to the Executive Board as the governing body of UNDP. In line with General Assembly resolution 59/267, which was reiterated in resolution 62/246, the present report provides a synopsis of management responses to the recommendations and draws attention to the recommendations directed to the legislative bodies of United Nations system organizations. The present report includes an update of the status of implementation of the recommendations contained in reports issued in 2012 and 2011. In accordance with the wishes of the Executive Board and with the United Nations emphasis on simplification and harmonization, the present report was prepared in a format developed jointly with UNFPA.

Elements of a decision

The Executive Board may wish to take note of the present report, including the management response to the one recommendation of the Joint Inspection Unit intended for consideration by the Executive Board (see annex II).

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I. Overview of Joint Inspection Unit reports issued in 2013

1. The present report provides a summary of UNDP management responses to eight recommendations of the Joint Inspection Unit specifically relevant to UNDP (out of 10 recommendations contained in the reports issued by the unit in 2013), as well as the implementation status of relevant recommendations issued in 2012 and 2011. It draws attention to recommendations made by the unit in 2013 for consideration by the governing body of UNDP, and to the proposed management response (see annex II). A full listing of reports and notes from the Joint Inspection Unit, and details of its recommendations – including background information about the mandate and work of the unit – are available at https://www.unjiu.org/en/reports-notes/Pages/Reports-and-Notes.aspx.

2. One of the two notes and both reports issued in 2013 (at the time of the present report) contain recommendations that have direct relevance to UNDP. They are: (a) reference checks in the United Nations system organizations (JIU/NOTE/2013/1); (b) review of long-term agreements in procurement in the United Nations System (JIU/REP/2013/1); and (c) selection and appointment process for United Nations Resident Coordinators, including preparation, training and support provided for their work (JIU/REP/2013/3).

II. Synopsis and review of relevant Joint Inspection Unit reports and recommendations in 2013

3. The management responses to the relevant recommendations in the note and reports are provided below. Annex I contains a statistical summary of reports issued by the Joint Inspection Unit in 2013, and annex II contains management responses to recommendations directed to the Executive Board as the governing body of UNDP.

A. Reference checks in the United Nations system organizations (JIU/NOTE/2013/1)

4. The note entitled 'Reference checks in the United Nations system organizations' reviews and assesses efficiency and effectiveness issues in the reference checking process and provides recommendations for its enhancement and for its standardization and harmonization across the United Nations system. "Reference checks" in the note represent all the types of checks that are performed or should be performed to verify references and statements that external candidates have made on their educational, professional or any other background when applying for fixed-term posts of one year or more in United Nations system organizations.

5. UNDP welcomes the note and the efforts invested in identifying best practices from the public and the private sector, as well as the comparative analysis of organizational policies and procedures with respect to reference checks.

6. One of the two recommendations issued is of relevance to UNDP. Recommendation 1 is directed to the Administrator.

7. With regard to recommendation 1, the UNDP policy and practice on reference checks is aligned with five of the six benchmarks in the note and partially aligned with one of the six benchmarks. That benchmark states that reference checks are mandatory for all external candidates hired to fixed-term positions of one year or more, irrespective of the category, level and location of the position; they are thoroughly and systematically conducted and include a combination of different

types of checks. This reflects current practice according to the UNDP Recruitment and Selection Framework, 2012, whereby reference checking is a mandatory recruitment condition that is conducted systematically, thoroughly and in a timely manner, in writing, and must be completed before submission to the Compliance Review Board. The recommendation to make the extensive reference checks, such as security and criminal record checks and telephone calls, as suggested by the note, will be followed where feasible.

B. Review of long-term agreements in procurement in the United Nations system (JIU/REP/2013/1)

8. The report of Joint Inspection Unit entitled 'Review of long-term agreements in procurement in the United Nations system' evaluates the relevance, efficiency and effectiveness of the use of long-term agreements in the United Nations system. The review covers a variety of issues regarding long-term agreements, including the assessment of existing policies, practices and statistical data, types of long-term agreements, their advantages and disadvantages, available guidelines and strategies applied, the level of collaboration attained among United Nations organizations through these agreements, and good practices and lessons learned.

9. All five recommendations issued are of relevance to UNDP. Recommendations 1, 2, 3, and 4 are directed to the Administrator, while recommendation 5 is directed to the Executive Board for consideration.

10. With respect to recommendation 1, UNDP released the comprehensive long-term agreements policy and related guidance note in May 2013 in order to provide clear guidance on types, configurations and application of such agreements. This will allow all UNDP business units, including country offices, to attain the strategic benefits of long-term agreements in a standardized manner, leading to lower transaction costs, consistency in quality, reduced delivery lead times and competitive prices. As part of its sourcing strategy, the UNDP Procurement Support Office conducted a spend analysis to identify the items and services commonly produced by country offices and headquarters business units. Based on that analysis, the number of long-term agreements was increased to over 70, in an effort to harmonize the procurement of common items and services. The policy includes collaborative long-term agreements with other United Nations organizations and use of their long-term agreements.

11. With respect to recommendation 2, in addition to the policy and related guidance note, UNDP has established a long-term agreements resources centre in Copenhagen, and made all such agreements established by UNDP and other United Nations organizations available online for access by country offices and business units. UNDP is also testing the long-term agreements usage monitoring system, which will be introduced in the second quarter of 2014.

12. Concerning recommendation 3, UNDP has been taking a lead role in several collaborative procurement actions with other United Nations system organizations and has been actively involved in establishing long-term agreements with them. Some examples include:

(a) UNDP, along with other United Nations system organizations, is taking the lead role in establishing long-term agreements for vehicles through the High-level Committee on Management procurement network. This has brought about estimated savings of at least 10 per cent for participating organizations.

(b) UNDP, in collaboration with UNFPA and the United Nations Children's Fund (UNICEF), took a major role in establishing new medical, death and

injury insurance for individual contract and service contract holders, resulting in savings of 62 per cent in premiums annually.

(c) UNDP led the establishment of long-term agreements with UNFPA, UNICEF, the World Food Programme (WFP) the World Health Organization (WHO), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Relief and Works Agency for Palestine Refugees in the Near East, and the Food and Agriculture Organization (FAO) for 'very small aperture terminal' (or 'VSAT') communication systems, resulting in savings of 37 per cent for UNDP country offices.

(d) UNDP worked on behalf of five United Nations system organizations to establish a common cargo insurance long-term agreement. A joint tender for cargo insurance services was led by UNDP on behalf of UNOPS, UNFPA, UNICEF, FAO and UNDP, the outcome of which was a long-term agreement resulting in annual savings of $1.89 million for UNDP, UNFPA, and UNOPS. Through this agreement, the new insurance premium rates are from 41 per cent to 77 per cent lower for the three participating United Nations system organizations.

(e) Information technology, procurement and legal networks of twelve United Nations system organizations (UNDP, UNFPA, UNOPS, the Pan American Health Organization, the Joint United Nations Programme on HIV/AIDS, UNHCR, UNICEF, UN-Women, the International Organization for Migration, the International Telecommunication Union, WFP and WHO) agreed to collaborate on public cloud outsourcing. All twelve organizations joined the request for proposal exercise. UNDP is taking a lead role in establishing long-term agreements for standard public cloud services – specifically, for Microsoft Office 365 and Google Apps for Business. While the estimated savings (annual cost per user) will vary according to the product, they are likely to reach up to 60 per cent for all participating system organizations.

(f) At the country office level, UNDP has been taking a lead role in establishing long-term agreements for travel services and other common services for all United Nations organizations working in the same country.

13. Regarding recommendation 4, in addition to the collaborative procurement actions with other United Nations organizations, UNDP is the chair of the High-level Committee on Management and the deputy chair in harmonization projects. UNDP was actively involved in the establishment of the harmonized table of contents for United Nations procurement manuals and has been active in other procurement-related harmonization projects. UNDP developed the 'piggy-backing' mechanism with other United Nations organizations (buying and using one another's contracts).

C. Selection and appointment process for United Nations resident coordinators, including preparation, training and support provided for their work (JIU/REP/2013/3)

14. The report of the Joint Inspection Unit entitled 'Selection and appointment process for United Nations resident coordinators, including preparation, training and support provided for their work' assesses the operation of the selection and appointment process of the United Nations resident coordinators and the effectiveness and efficiency of the related institutional support mechanisms. The report identifies and analyses challenges pertaining to the selection and appointment of resident coordinators, as well as the preparation, training and support provided for their work, complemented by recommendations, to support improvements in the selection and appointment process as well as in the ownership of the resident coordinator system.

15. Overall, the report offers a positive view of the selection and appointment process for resident coordinators. The inspectors acknowledged the measures that UNDP has implemented to fulfil its responsibilities in accordance with the management and accountability framework of the United Nations development and resident coordinator system, including the functional firewall for the resident coordinator system, by:

(a) establishing country director positions (where it makes financial sense to do so); and

(b) recasting the job descriptions of resident representatives, deputy resident representatives and country directors to clarify how the day-to-day management of UNDP business is conducted, so that resident coordinators are enabled to carry out their system-wide role.

16. The report notes that full implementation of the management and accountability framework remains a core issue in ensuring system-wide ownership and accountability, including the need for resident coordinators to contribute to the performance appraisal of the United Nations country team. The report recognizes that UNDP has already implemented its management and accountability requirements and calls on all other organizations to follow suit. To be successful in addressing the issue of ownership, every part of the United Nations development system will have to fulfil its commitments in accordance with the management and accountability framework, since ownership goes hand in hand with accountability. The management and accountability system of the UN resident coordinator system states that "the system must belong to all – through governance system/broad participation and clear accountability, and reporting lines, but can only be managed by one entity with clear responsibility and clear accountability based on an understanding of what is required" (management and accountability system of the United Nations Development and Resident Coordinator system, including the 'functional firewall' for the Resident Coordinator system, United Nations Development Group, 2008). A number of United Nations organizations still have more work to do to fulfil their commitments in connection with the management and accountability framework.

17. The report includes three recommendations, two of which are of relevance to UNDP. Recommendations 2 and 3 are directed to the Administrator as Executive Head of the organization.

18. Recommendation 1 is not directed to UNDP but to the General Assembly and the Economic and Social Council: "The General Assembly, through the quadrennial comprehensive policy review (QCPR) process, should establish long-term targets to be achieved with regard to diversity among Resident Coordinators in terms of North-South balance and organization of origin. The Economic and Social Council (ECOSOC) should, within the QCPR process, monitor the implementation of measures taken to attain such targets". UNDP notes the recommendation for establishment of targets by the General Assembly and recommends that diversity include a focus on gender in all nominations for resident coordinator positions. Furthermore, UNDP supports the broad finding that diversity among resident coordinators with respect to gender, source organization, and North-South balance – although the highest ever and on a positive trend – could be further enhanced. This message was reiterated by Member States in the quadrennial comprehensive policy review and prioritized in the quadrennial comprehensive policy review action plan of the United Nations Development Group (UNDG) – with efforts in that regard under way in relevant UNDG mechanisms. Diversity considerations are already a significant factor in the selection decisions taken by the Secretary-General, as noted in the report, and monitoring and reporting are regularly undertaken by the United

Nations Development Operations Coordination Office and reported to the Inter-Agency Advisory Panel at the beginning of each of its meetings.

19. UNDP is in agreement with recommendation 2, addressed to the executive heads of the organizations comprising UNDG: "The Executive Heads of United Nations system organizations who have not yet done so should instruct their human resources management offices to develop and implement appropriate guidelines for the identification, screening and preparation of potential resident coordinator candidates as soon as possible". UNDP has guidelines and a consistent practice for the identification, screening and preparation of potential resident coordinator candidates, and believes it would benefit the overall selection and appointment process if this recommendation were adopted by all United Nations organizations when considering their nomination of resident coordinator candidates.

20. UNDP takes note of recommendation 3, addressed to the Secretary-General: "The Secretary-General, in his capacity as Chair of the United Nations System Chief Executives Board for Coordination, should initiate, through UNDG, the review and revision of the standard operating procedures of the Inter-Agency Advisory Panel as needed to:

(a) ensure a more open nomination process for candidates who are already in the resident coordinator pool;

(b) address the possibility of incorporating interviews for shortlisted candidates, at the request of the Inter-Agency Advisory Panel, to better advise the UNDG Chair on their suitability for a particular position; and

(c) change the voting system to establish a minimum required number of support votes (preferably 50 per cent of those voting) for a candidate to be shortlisted for consideration by the UNDG Chair."

21. UNDP has the following comments:

(a) Regarding recommendation 3(a), UNDP shares the concern expressed in the report with respect to the perception (contained in paragraph 74) that the selection process of resident coordinator candidates has resulted in a trade-off for organizations between professionalism and selecting the 'agency candidate'. UNDP would welcome the opportunity to explore, through the workings of the Inter-Agency Advisory Panel, ways in which to improve the overall quality of candidates nominated by the organizations, leveraging existing instruments for quality assurance. For example, the specialized resident coordinator assessment can be strengthened and enhanced to ensure an objective, rigorous testing of candidates' professional fit and preparedness to take on the role.

(b) Concerning recommendation 3(b), UNDP welcomes the proposal to offer the option to interview shortlisted candidates so as to better inform the UNDG Chair on their suitability for a particular position. This option already exists in the standard operating procedures of the Inter-Agency Advisory Panel with respect to candidates for executive representatives of the Secretary General, deputy special coordinators or deputy special representatives of the Secretary General positions, and it could be expanded further.

(c) With regard to recommendation 3(c), UNDP suggests that the matter should be referred to the Inter-Agency Advisory Panel for discussion and agreement on what the minimum quorum, if any, should be. This could then be presented as a recommendation to the UNDG through the United Nations System Chief Executives Board for Coordination.

III. Status of UNDP implementation of Joint Inspection Unit recommendations in 2011-2012

22. In accordance with resolution 60/258, in which the General Assembly requested the Joint Inspection Unit to enhance dialogue with participating organizations and thereby strengthen the implementation of its recommendations, the implementation status of relevant recommendations contained in reports issued in 2012 and 2011 are reported in annexes III and IV to the present report.

23. UNDP has pursued or implemented 63 per cent of the 40 relevant recommendations issued by the Joint Inspection Unit in 2012. Of the 51 relevant recommendations issued in 2011, 84 per cent have been implemented or are being pursued. UNDP is committed to following up on the implementation of the remaining relevant recommendations.

Annex I
Summary of reports and notes issued by the Joint Inspection Unit in 2013

Document symbol	Title of report	Total number of recommendations issued	Total number of recommendations relevant to UNDP	Number of recommendations directed to the Executive Board
JIU/NOTE/2013/1	Reference checks in the United Nations system organizations	2	1	0
JIU/REP/2013/1	Review of long-term agreements in procurement in the United Nations System	5	4	1
JIU/REP/2013/3	Selection and appointment process for United Nations resident coordinators, including preparation, training and support provided for their work	3	2	0
Total		**10**	**7**	**1**

Reports of the Joint Inspection Unit not issued at the time of writing the present report

Records and archives management in the United Nations (JIU/REP/2013/2) was issued late in April 2014, too late to be included in the present report.

Review of the management of implementing partners in United Nations system organizations (JIU/REP/2013/4) was issued late in April 2014, too late to be included in the present report.

Reports of the Joint Inspection Unit issued in 2013 but not relevant to UNDP

Review of management and administration in the economic commission for Latin America and the Caribbean (JIU/NOTE/2013/2)

Annex II
Review of relevant Joint Inspection Unit recommendations in 2013 for consideration by the Executive Board

Recommendations	Remarks
Review of long-term agreements in procurement in the United Nations system (JIU/REP/2013/1)	
Recommendation 5 The legislative/governing bodies should exercise their oversight role on the procurement function and procurement activities with a view to ensuring that the procurement function adequately fulfills its strategic role and that procurement activities, including long-term agreements, are carried out based on sound procurement plans and strategies.	*Agreed and implemented.* UNDP agrees with this recommendation. The UNDP procurement functions and procurement activities are subject to both internal and external audits on a regular basis. UNDP procurement has also been audited by some major donors such as the United Kingdom Department for International Development and the Government of Sweden. Procurement has become a formal agenda item for the Executive Board of UNDP, UNFPA and UNOPS.
JIU reports not issued at the time of the present report Records and archives management in the United Nations (JIU/REP/2013/2) was issued late in April 2014, too late to be included in the present report. Review of the management of implementing partners in United Nations system organizations (JIU/REP/2013/4) was issued late in April 2014, too late to be included in the present report.	

Annex III
Status of implementation of relevant Joint Inspection Unit recommendations issued in 2012

Document symbol	Title of report	Total number issued	Total number directed to UNDP	Implemented or ongoing (as at end 2012)	Partially implemented/ to be started (at end 2012)
JIU/REP/2012/2	The management of sick leave in the United Nations system	7	6	3	1
JIU/REP/2012/3	Evaluation of UN-Oceans	5	2	1	0
JIU/REP/2012/4	Staff recruitment in United Nations system organizations: A comparative analysis and benchmarking framework – Overview	4	3	Not applicable	Not applicable.
JIU/NOTE/2012/4	Flexible working arrangements in the United Nations system organizations	2	1	Not applicable	Not applicable
JIU/REP /2012/5	Review of individual consultancies in the United Nations system	13	12	10	1
JIU/REP/2012/8	Review of enterprise resource planning (ERP) systems in United Nations organizations	3	3	1	1
JIU/REP/2012/9	Lump-sum payments in lieu of entitlements	5	4	3	0
JIU/REP/2012/11	Financing for humanitarian operations in the United Nations system	8	5	5	0
JIU/REP/2012/12	Strategic planning in the United Nations system	5	4	2	0
Total		**52**	**40**	**25**	**3**

Annex IV
Status of implementation of Joint Inspection Unit recommendations issued in 2011

Document symbol	Title of report	Total number issued	Total number directed to UNDP	Implemented or ongoing (as at end 2012)	Partially implemented/ to be started (at end 2012)
JIU/REP/2011/1	Review of the medical service in the United Nations system	7	3	2	Not applicable
JIU/NOTE/2011/1	Procurement reforms in the United Nations system	18	10	10	0
JIU/REP/2011/3	South-South and triangular cooperation in the United Nations system	12	5	3	2
JIU/REP/2011/4	Multilingualism in the United Nations system organizations: Status of implementation	15	12	8	4
JIU/REP/2011/5	Accountability frameworks in the United Nations system	7	2	1	1
JIU/REP/2011/6	Business continuity in the United Nations system	9	7	7	0
JIU/REP/2011/7	The investigation function in the United Nations System	8	7	6	Not applicable
JIU/REP/2011/9	Information and communication technology governance in the United Nations system organizations	11	10	10	0
JIU/REP/2011/10	Staff-management relations within the United Nations	6	4	4	0
JIU/REP/2011/11	Evaluation of the scope, organization, effectiveness and approach of the work of the United Nations in mine action	7	1	0	1
Total		**100**	**61**	**51**	**8**

Reports of the Joint Inspection Unit issued in 2011 but not relevant to UNDP

Transparency in the selection and appointment of senior managers in the United Nations Secretariat (JIU/REP/2011/2)

Review of management and administration in the United Nations Educational, Scientific and Cultural Organization (JIU/REP/2011/8)